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NO. 6 OF OCTOBER 4, 2016](#)



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 31, 2012

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

STATUS REPORT ON THE REQUEST FOR PROPOSALS AND NEW SYSTEM CONVERSION FOR WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM MAINTENANCE AND HOSTING SERVICES

On February 28, 2012, the Board approved a recommendation to execute a sole source contract with P&C Claims, Incorporated (P&C), for application hosting and maintenance services to support the current County of Los Angeles (County) workers' compensation claims administration system (GenIris) and conversion to a modern relational database system called ClaimsVision (see attached). At that time, the Board also instructed the Chief Executive Office (CEO) to immediately initiate the Request for Proposals (RFP) process for a new workers' compensation system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of GenIris to ClaimsVision. This memorandum provides a status report on the RFP development and system conversion.

Background

The current system, GenIris, provides applications required to manage the County's self-insured workers' compensation program. Nearly 300 users, including the County workers' compensation third-party administration firms, medical management firms, CEO, County Counsel, and other County employees, depend on the system to facilitate workers' compensation processes. These processes include meeting State statutory requirements, Federal mandates, providing workers' compensation benefits on approximately 24,500 open claims, and initiating approximately 400,000 payment request transactions annually.

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Conversion of GenIris to ClaimsVision (a Modern Relational Database)

The CEO and P&C are engaged in a system conversion that will replace GenIris with ClaimsVision. Initial discussions began in April 2012, which led to the development of a Project Charter. CEO and P&C have identified personnel to oversee the conversion of data from GenIris to ClaimsVision, configure necessary business processes and reporting, assure robust interfaces, and perform user acceptance testing. The following is the conversion project timeline:

Milestone/Phase	Proposed Completion
Project Initiation	July 2012
Sandbox/Application Training	August 2012
Sandbox Environment Delivery	August 2012
Business Requirements – Design Study	October 2012
Business Requirements – Interfaces	October 2012
Business Requirements – Reports	October 2012
Development	January 2013
Conversion of Static Historical Data	April 2013
Go-Live Simulation	June 2013
QA – Unit Testing	July 2013
QA – User Acceptance Testing	August 2013
Final Implementation	September 2013
Go Live	September 2013
Post Live Support and Project Closure	October 2013

RFP for New Workers' Compensation System

On March 2, 2012, CEO issued a Work Order Request for Assistance with Solicitation for a new Workers' Compensation Administration and Management Information System under the Risk Management and Insurance Consulting Services Master Agreement. Warren, McVeigh & Griffin, Inc. (WMG) was selected to assist in the development of the Statement of Work (SOW), RFP, and in the selection of a contractor. The project timeline follows:

PROJECT DELIVERABLES	TASKS	DUE DATES
Phase 1 System Requirements	Determine new system functionalities	July 2012
Phase 2 RFP Development	Development of minimum qualifications	August 2012
	Development of Scope of Work	August 2012
	Development of Pricing Model	August 2012
	Review of RFP and related documents to ensure they are appropriate and reasonable	September 2012
Phase 3 A Contractor Selection	Development of evaluation criteria and materials	August 2012
	Release RFP	April 2014
Phase 3 B Contractor Selection	Selection notification	September 2014
	Recommendation to Board	December 2014

After soliciting an assessment from various system users, WMG developed a draft SOW. On June 27, 2012, WMG submitted the draft SOW, which is currently under review by CEO staff. The finalized SOW will be used as the basis for the RFP and proposal evaluation form. After conversion of GenIris to ClaimsVision is completed (October 2013), the CEO will integrate the ClaimsVision information into the RFP and release the RFP no later than April 2014. The CEO will provide the Board with a selection and recommendation for a new system in December 2014.

The CEO will provide another status report to the Board in January 2013.

For more information your staff may contact Steve NyBlom, Acting Risk Manager, at (213) 351-5346 or snyblom@ceo.lacounty.gov. If you have any questions, please have your staff contact Ellen Sandt at (213) 974-1186 or esandt@ceo.lacounty.gov.

WTF:EFS
 SEN:AR:m

Attachment

c: Executive Office, Board of Supervisors
 County Counsel
 Chief Information Office



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

February 28, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

#18 FEBRUARY 28, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

RECOMMENDATION TO APPROVE A SOLE SOURCE CONTRACT FOR WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM MAINTENANCE AND HOSTING SERVICES (ALL DISTRICTS – 3 VOTES)

CHIEF INFORMATION OFFICER RECOMMENDATION:

APPROVE (X) APPROVE WITH MODIFICATIONS () DISAPPROVE ()

SUBJECT

This letter seeks your Board's approval for a sole source Contract with P&C Claims, Incorporated (P&C), for maintenance and hosting services to support the workers' compensation claims administration system and to upgrade the system and convert the files from the 27-year-old database to a modern database, for a base term of three years, with three, one-year options to extend the contract, effective March 1, 2012, at a maximum contract cost of \$2,885,232 including extensions.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to execute the attached sole source contract with P&C for application hosting and maintenance services to support the Workers' Compensation Claims Administration System (System), upgrade the system and correct the database. The base contract will be effective for three years, commencing March 1, 2012, with a maximum contract sum not to exceed \$1,519,684, and includes an option to extend services up to three additional one-year terms.
2. Delegate authority to the CEO to execute the software agreement pursuant to the provisions of this contract.
3. Direct the CEO to immediately initiate the Request for Proposals (RFP) process for a workers' compensation claims administration system.

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4. Direct the CEO to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers' compensation system to a modern database system.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The contractor, P&C, is the successor company to GenSource, which was the original contractor that provided, installed, custom designed, maintained, and hosted the System. Currently, 300 users, including the County of Los Angeles (County) workers' compensation third party administrators (TPAs), medical management and cost containment contractors, short-term and long-term disability benefit administrator, CEO Risk Management Branch, County Counsel, and other County departments, depend on the System's applications to manage the County's workers' compensation claims administration program, process indemnity payments to injured employees, issue medical payments to healthcare and ancillary service providers, generate State-mandated benefit notices, and issue reports required by State and Federal entities. Failure to issue timely payments will subject the County to costly penalties and potential loss of its certificate to self-insure. The proposed contract maintains the current system, while providing a significant system upgrade and conversion to a modern database system at a very cost-effective price.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 1, Operational Effectiveness, by ensuring continuous and effective service delivery systems. The contract and system are in accordance with the current CEO Business Automation Plan (BAP).

FISCAL IMPACT/FINANCING

The maximum base term contract cost will be \$1,519,684, which is itemized as follows:

- A maximum \$749,184 total for system maintenance and support, including software upgrades to support 300 users;
- A maximum \$310,500 (\$103,500 per year) for State of California-mandated electronic transfer of workers' compensation claims data from the System to the California Department of Industrial Relations (DIR). The contract assigns responsibility to P&C for ensuring the information collected by the County's TPAs is transferred to DIR;
- A maximum \$60,000 (\$20,000 per year) for user training, as may be required by the County;
- A maximum of \$300,000 to upgrade the GenIris system to ClaimsVision; and
- A maximum of \$100,000 in funding for system customization, including the eCAPS interface.

In the event the County elects to extend the contract for services beyond the base term, the maximum cost will not exceed \$2,885,232, which will be the total for six years. The cost for each extension is as follows:

First Year Extension	\$ 483,288
Second Year Extension	\$ 438,484
Third Year Extension	\$ 443,776
Total	\$ 1,365,548

The base term and any contract extension costs will be paid out of the Workers' Compensation Trust Fund.

Expenditures for the Fiscal Year 2010-11 contract year were \$356,932. This included costs for the following:

- \$ 240,000 (\$20,000 per month) for system maintenance;
- \$103,500 for electronic transfer of workers' compensation claims data to the DIR; and
- \$13,432 for optional work/customization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 1, 2007, your Board approved a sole source contract with GenSource, a Division of StrataCare Inc. Effective December 31, 2009, all assets of GenSource were assigned to P&C.

The contractor, P&C, is a recognized leader in the workers' compensation information system industry. The firm has an extensive knowledge of the County's workers' compensation program and has provided and continues to provide software modifications and upgrades at minimal expense. All users agree that while the existing system is not state-of-the-art, it has continued to deliver consistent and reliable performance since 1985. P&C has developed an upgrade to their GenIris claims administration system which is being marketed under the name ClaimsVision. They are offering this product to existing users at a reduced rate if the upgrade is purchase in 2012. P&C states the reduced rate of \$300,000 is less than half of the cost of the ClaimsVision system to new clients.

By comparison, we have identified costs for other agencies who have or are planning to upgrade to modern workers' compensation data base systems:

Business/Organization	Migration Date	New/Upgraded System Cost	5-Year Maintenance fees
City of Los Angeles	March, 2012 (planned)	\$2.85M	\$1.5M
San Bernardino County	2007-2008	\$1.3M	\$375,000
Keenan & Associates (TPA) approx 75% the size of L. A. County	2007	Approximately \$2M	Approximately \$1M (includes liability and disability systems)
County of Los Angeles	2012 (proposed)	\$300,000 - \$400,000	\$1.9M

The CEO recommends allowing P&C to implement their ClaimsVision system now for the following reasons:

- Pricing of the upgrade is reasonable compared to other options;
- P&C would be responsible for the migration and reconciliation of data between their two systems. If we were to migrate to a different vendor, neither P&C nor the new vendor would be obligated to support this transition. Having the same vendor handle both sides of the migration eliminates conflicts between vendors and results in substantial savings in both work hours and conversion costs for the County;
- There is a backup system (GenIris) built in, with full support from P&C, while the County makes the transition; and
- ClaimsVision is a modern database that would pave the way for an easier transition and attract more competitive bids from other vendor systems in the future.

The CEO Risk Management Branch intends to begin the RFP process for a new system immediately. Attached is a timeline showing the projected schedule for the RFP and also for the ClaimsVision conversion (Attachment I). The timeline runs the RFP development and the data system upgrade and conversion process concurrently, which will be challenging given limited CEO staff resources, but should be doable. The extension proposed at this time will allow P&C to complete the conversion of the current system to the upgraded ClaimsVision and the continuation of services under this system if, and until, a replacement system is implemented. Once ClaimsVision goes live, any final modifications needed to the RFP will be made and the RFP released immediately afterwards.

The CEO will report back to your Board in July 2012, and every six months thereafter, on the status of the RFP and data conversion process.

The attached contract has been approved as to form by County Counsel and reviewed by the Chief Information Officer (CIO Analysis Attached). Both concur with the CEO's recommendations.

CONTRACTING PROCESS

On December 8, 2011, we notified your Board of our intent to negotiate a sole source contract with P&C (Attachment II). The system software is proprietary to P&C; therefore, no other vendor can provide the necessary maintenance and support.

IMPACT ON CURRENT SERVICES

Continuation of this system is essential to ensure timely and accurate issuance of County workers' compensation benefits and payments, and to avoid potential imposition of State penalties for late benefit payments. It will allow the Department to issue an RFP and provide time for system upgrade and data conversion before a replacement workers' compensation claims administration system is implemented.

The Honorable Board of Supervisors
February 28, 2012
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CONCLUSION

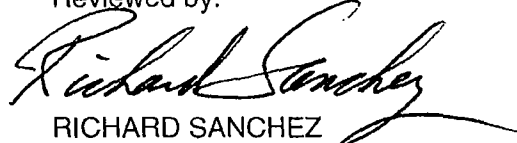
Upon approval by your Board, please return two signed originals of the Contract and one adopted copy of the letter to the CEO Risk Management Branch, attention Laurie Milhiser, County Risk Manager.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

Reviewed by:



RICHARD SANCHEZ
Chief Information Officer

WTF:ES:RS
LM:RC:KF:tv

Attachments

c: Executive Officer, Board of Supervisors
County Counsel
Chief Information Officer

Request For Proposal				Conversion To ClaimsVision		
Project Task	Project Begin	Project End		Project Task	Project Begin	Project End
RFQ Select Consultant	3/1/2012	3/28/2012		System Evaluation		
Conduct Kick-off Meeting	4/2/2012	4/2/2012		California Compliance	4/3/2012	5/1/2012
Phase 1 Milestone	4/2/2012	4/2/2012		Business Rules Development	4/3/2012	5/1/2012
				User Technical Requirements	4/3/2012	5/1/2012
Needs Assessment				Security/Authorization Levels	4/3/2012	5/1/2012
Security and System Parameters	4/3/2012	5/1/2012				
Application Menu				Create Project Plan	5/2/2012	5/7/2012
Examiner Menus	4/3/2012	6/29/2012				
Benefit Notice Menu	4/3/2012	4/30/2012		Conversion Migration Customization	5/8/2012	2/6/2014
Payment Configuration	5/1/2012	5/15/2012		Interface & Production Testing	12/2/2013	2/19/2014
Vendor Table Configuration	5/1/2012	5/31/2012		Demo & Training	12/2/2013	2/19/2014
Document Generation Requirements	4/3/2012	4/30/2012				
Document Storage Requirements	4/3/2012	4/30/2012		Go Live	3/3/2014	3/3/2014
Disability Management	4/3/2012	4/30/2012				
Master Coding						
Cause, Nature, Body Part	4/3/2012	4/30/2012				
ICD 9+ Coding	4/3/2012	4/30/2012				
NCCI Injury Coding	4/3/2012	4/30/2012				
Organization + Sub-Organizations	4/3/2012	4/30/2012				
Occupation/Item	4/3/2012	4/30/2012				
Status - Sub-Status	4/3/2012	4/30/2012				
System Reporting						
Search Capability	5/1/2012	5/29/2012				
Standard Reporting	5/1/2012	5/29/2012				
Production Reporting	5/1/2012	5/29/2012				
Ad-Hoc Reporting	5/1/2012	5/29/2012				
Report Migration	5/1/2012	5/29/2012				
MMSEA	5/1/2012	5/29/2012				
FRSIS/ROI	5/1/2012	5/29/2012				
WCIS	5/1/2012	5/29/2012				
Interface Capability/Functionality						
Bill Review	6/1/2012	6/29/2012				
Utilization Review	6/1/2012	6/29/2012				
Payroll	6/1/2012	6/29/2012				
eCAPS	6/1/2012	6/29/2012				
Other County Systems	6/1/2012	6/29/2012				

Data Transfer + Warehouse	6/1/2012	6/29/2012			
Business Rules					
Authority Levels	4/3/2012	6/29/2012			
Exception Notification	4/3/2012	6/29/2012			
Case Closure Parameters	4/3/2012	6/29/2012			
Mandatory Screens	4/3/2012	6/29/2012			
Printing	6/1/2012	6/29/2012			
Blocking Capability	4/3/2012	6/29/2012			
Phase 2 Milestone	6/29/2012	6/29/2012			
RFP Document					
RFP & SOW Draft	7/2/2012	7/15/2012			
County Counsel Review	7/16/2012	7/30/2012			
CIO Review	7/16/2012	7/30/2012			
Evaluation Tool	7/2/2012	7/30/2012			
RFP & SOW Ready for Release	8/3/2012	8/3/2012			
Phase 3 Milestone	8/3/2012	8/3/2012			
RFP Process					
Any final RFP update based on ClaimsVision implementation	3/2014				
RFP Release*	4/8/2014	4/8/2014	*Recommend release after ClaimsVision goes live.		
Proposers' Conference	5/8/2014	5/8/2014			
Proposals Due	7/17/2014	7/17/2014			
Evaluation Process	7/21/2014	9/22/2014			
Selection/Notification	9/26/2014	9/26/2014	Potential Conversion to New Vendor		
Debriefing	9/29/2014	10/3/2014			
Time allotted for Protests	10/6/2014	12/5/2014			
Recommendation to BOS	12/23/2014	12/23/2014			
Phase 4 Milestone	12/23/2014	12/13/2014	Conversion + Migration (New Vendor)	1/6/2015	12/22/2016
			Interface & Production Testing	12/6/2016	2/24/2017
			Demo & Training	12/6/2016	2/24/2017
			Go Live	3/1/2017	3/1/2017
			Phase 5 Milestone	3/1/2017	3/1/2017



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WILLIAM T FUJIOKA
Chief Executive Officer

January 30, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
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MARK RIDLEY-THOMAS
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Fifth District

STATUS REPORT ON WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM CONVERSION AND REQUEST FOR PROPOSALS

On February 28, 2012, the Board approved the recommendation to execute a sole source contract with P&C Claims, Incorporated (P&C) for application hosting and maintenance services to support the workers' compensation claims administration system and a conversion to a system with a relational database. At that time, the Board instructed the Chief Executive Office (CEO) to immediately initiate the Request for Proposals (RFP) process for a workers' compensation claims administration system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers' compensation system to a relational database system. This memorandum provides the second status report on the system conversion and RFP development.

Conversion of GenIris to ClaimsVision

The CEO and P&C are engaged in a system conversion that will replace the current workers' compensation claims administration system (GenIris) with ClaimsVision. Initial discussion began in April 2012, and led to the development of a Project Charter. CEO and P&C have identified personnel to oversee the conversion of data from GenIris to ClaimsVision, configure necessary business processes and reporting, assure robust interfaces, and perform user-acceptance testing.

During the last six months, County of Los Angeles staff have evaluated the demo version of ClaimsVision and system interface capabilities. CEO and P&C staff developed user-hierarchy levels, established document management requirements, and identified interface needs.

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Timetable

Milestone/Phase	Scheduled Completion
Development of Hierarchies	January 2013
Conversion of Static Historical Data	November 2013
Go-Live Simulation	December 2013
QA – Unit Testing	February 2014
QA – User Acceptance Testing	February 2014
Final Implementation	March 2014
Go Live	March 2014
Post Live Support and Project Closure	April 2014

Request for Proposals for New Workers' Compensation System

On March 2, 2012, CEO issued a Work Order Request for Assistance with Solicitation for a Workers' Compensation Administration and Management Information System, under the Risk Management and Insurance Consulting Services Master Agreement. Warren, McVeigh & Griffin, Inc. (WMG) was selected to assist in the development of the Statement of Work (SOW), RFP, and selection of contractor.

After soliciting a needs assessment from various system users, WMG developed a draft SOW. The finalized SOW will be used to complete the RFP and proposal evaluation form. The CEO plans to release the RFP in April 2014, after implementation of the ClaimsVision workers' compensation claims administration system, and provide the Board with a selection and recommendation in December 2014.

The CEO will provide another status report to the Board in July 2013.

For additional information, your staff may contact Steve NyBlom at (213) 738-2214.

WTF:MKZ
SEN:AR:sg



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WILLIAM T FUJIOKA
Chief Executive Officer

July 24, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

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Conversion of Genlris to ClaimsVision

The CEO and P&C are engaged in a system conversion that will replace the current System (Genlris) with ClaimsVision. Initial discussion began in April 2012, and led to the development of a Project Charter. CEO and P&C have identified personnel to oversee the conversion of data from Genlris to ClaimsVision, configure necessary business processes and reporting, assure robust interfaces, and perform user-acceptance testing. Currently, CEO Risk Management Branch staff is navigating the operational claims management component of the system in a "sandbox" environment. Development in this area will continue through 2013.

During the last six months, the primary focus has been on the development of automated interfaces and conversion tools that will convert legacy data to the new system. The standard interfaces nearing completion include: Bill Review, Claim Search, California State Reporting FROI (First Report of Injury) and SROI (Subsequent Report of Injury), and Reporting Solutions. P&C anticipates the standard interface programming to be complete by the end of July 2013.

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Conversion of GenIris to ClaimsVision (Continued)

Milestone/Phase	Scheduled Completion
Development of Hierarchies	January 2013
Conversion of Static Historical Data	November 2013
Go-Live Simulation	December 2013
Quality Assurance – Unit Testing	February 2014
Quality Assurance – User Acceptance Testing	February 2014
Final Implementation	March 2014
Go Live	March 2014
Post Live Support and Project Closure	April 2014

Request for Proposals for New Workers' Compensation System

On March 2, 2012, CEO issued a Work Order Request for Assistance with Solicitation for a Workers' Compensation Administration and Management Information System under the Risk Management and Insurance Consulting Services Master Agreement. Warren, McVeigh & Griffin, Inc. (WMG) was selected to assist in the development of the Statement of Work (SOW), RFP, and assist in the selection of a contractor.

After soliciting a needs assessment from various system users, WMG developed a draft SOW. The finalized SOW will be used to complete the RFP and proposal evaluation form. CEO staff plans to have a draft RFP and SOW completed by January 2014. These documents will be sent to County Counsel and the Chief Information Office for review and comment.

The CEO plans to release the RFP in April 2014, after implementation of the ClaimsVision workers' compensation claims administration system, and provide the Board with a selection and recommendation in December 2014.

The CEO will provide another status report to the Board in January 2014.

If you have any questions or would like additional information, your staff may contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

WTF:BC
STR:AR:rn



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WILLIAM T FUJIOKA
Chief Executive Officer

July 28, 2014

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Supervisor Michael D. Antonovich

From: William T Fujioka
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Conversion of GenIris to ClaimsVision (Continued)

During the last several months, the primary focus has been on the results from conversion tools that converted legacy data to the new system, and on the development of automated interfaces. As previously reported, P&C has concluded the development of standard interfaces, including: Bill Review, Claim Search, State Reporting, and Reporting Solutions. Work is underway to automate additional required interfaces. The Data Integrity Tool has been used to convert one of the four claim units. The results have been analyzed and data conversion of the three remaining units has begun.

On January 1, 2014, two new workers' compensation Third Party Administrators (TPAs) began managing approximately 14,000 open workers' compensation claims. The workers' compensation claims transfer took approximately three months of preparation and will require continued training on County procedures and current claims administration system functionality. Due to this transfer and the number of interface programs that require continued analysis, the ClaimsVision conversion "Go Live" date will take place in the 2nd quarter of FY 2014-15. During the week of June 30, 2014, ClaimsVision training was provided to workers' compensation TPAs' staff.

Conversion Timeline

Milestone/Phase	Scheduled Completion
Development of Hierarchies	January 2013 – February 2014
Conversion of Static Historical Data	November 2013 – September 2014
Go Live Simulation	February 2014 – September 2014
Quality Assurance – Unit Testing	April 2014 – September 2014
Quality Assurance – User Acceptance Testing	July 2014 – September 2014
Final Implementation	September 2014 – October 2014
Go Live	2nd Quarter FY 2014-15
Post Live Support and Project Closure	2nd Quarter FY 2014-15

Request for Proposals for New Workers' Compensation System

On March 2, 2012, CEO issued a Work Order Request for Assistance with Solicitation for a Workers' Compensation Administration and Management Information System under the Risk Management and Insurance Consulting Services Master Agreement. Warren, McVeigh & Griffin, Inc., (WMG) was selected to assist in the development of the Statement of Work (SOW), RFP, and assist in the selection of a contractor. After soliciting a needs assessment from various system users, WMG developed a draft SOW.

Each Supervisor
July 28, 2014
Page 3

The CEO has analyzed the current risk management claims management systems and recognized the need to evaluate a consolidated and comprehensive system. Such systems include the management of workers' compensation, general liability, auto liability, small claims, and disability management. Currently, the CEO continues to evaluate the consolidation and upgrade of existing systems.

As previously reported, the CEO issued a request for information (RFI) to evaluate existing and emerging technologies to unify and upgrade existing systems. Industry leaders provided a number of viable responses indicating the ability to enhance and consolidate the County's claims management systems across functional areas. Accordingly, the CEO plans to issue a single, comprehensive RFP that will include claims management across multi-lines that includes workers' compensation. The CEO also plans to release the RFP in November 2014, and provide the Board with a recommendation in January 2016.

The CEO will provide another status report to the Board in January 2015.

If you have any questions or would like additional information, your staff may contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

WTF:BC
STR:AR:rn

c: Executive Office, Board of Supervisors
County Counsel
Chief Information Officer



County of Los Angeles CHIEF EXECUTIVE OFFICE

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SACHI A. HAMAI
Interim Chief Executive Officer

January 28, 2015

To: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai
Interim Chief Executive Officer

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

STATUS REPORT ON WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM CONVERSION AND REQUEST FOR PROPOSALS

On February 28, 2012, the Board approved the recommendation to execute a sole source contract with P&C Insurance Systems, Inc. (P&C), for application hosting and maintenance services to support the workers' compensation claims administration system and a conversion to a system with a relational database. At that time, the Board instructed the Chief Executive Officer (CEO) to immediately initiate the Request for Proposals (RFP) process for a workers' compensation claims administration system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers' compensation system to a relational database system. This memorandum provides the sixth status report on the system conversion and RFP development.

Conversion of Genlris to ClaimsVision

The CEO and P&C are engaged in a system conversion that will replace the current System (Genlris) with ClaimsVision. Initial discussion began in April 2012, which led to the development of a Project Charter. CEO and P&C have identified personnel to oversee the conversion of data from Genlris to ClaimsVision, configure necessary business processes and reporting, assure robust interfaces, and perform user-acceptance testing.

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Data migration from the Universe Database legacy system to the SaaS (Software as a Server) deployed ClaimsVision system has been completed. This included the migration of approximately 500,000 workers' compensation claims; 80,000 vendor records; and 1,900,000 electronic correspondences. P&C utilized a proprietary "Data Integrity Tool" to analyze and scrub all legacy data. Such data was mapped and ran through a conversion program. Currently, CEO staff are performing vendor mapping simulation analysis to ensure that the ClaimsVision and eCAPS (time collection system) vendor interface is robust.

Although a "Go Live" date could be accomplished within the next 60 days, CEO recommends an implementation extension to more comprehensively address the following:

- Conduct interface testing between ClaimsVision and eCAPS that includes full parallel payment transaction submission and post-back analysis;
- Conduct data conversion and mapping of vendor records between ClaimsVision and eCAPS;
- Conduct interface testing between ClaimsVision and Medical Management to ensure bill review and payment data is imported and exported appropriately;
- Ensure full compliance with Federal and State reporting and data transmission mandates; and
- Develop a project team to design and configure the reporting tools required to deliver critical reports to internal and external entities.

The contract with P&C allocated \$300,000 to migrate from GenIris to ClaimsVision. An additional \$100,000 in funding was approved for system customizations, including the eCAPS interface. CEO will recommend additional funding to address the following:

- Additional customizations for system interfaces to and from the County's financial system;
- Additional customizations to enhance the fiscal auditing capability;
- Increased automation of the multiple interfaces required by the Workers' Compensation Program, including the Medicare mainframe data conversion; and
- Development of a "paperless" environment for claims administration.

RFP for Comprehensive Risk Management Information System

As previously reported, CEO has analyzed the current risk management information systems and recognized the need to evaluate the consolidation and implementation of a comprehensive risk management information system. Such a system will include the management of workers' compensation, general liability, medical malpractice, auto liability, small claims, and disability management. CEO has engaged Shelter Island Risk Services (Shelter Island) to facilitate the development and evaluation of a comprehensive risk management information system. General requirements and capabilities have been identified as follow:

- Track of data necessary for County analysis and determination of the best and most cost effective risk methods;
- Provide a claim management system that may be used by Third-Party Administrators (TPAs), as well as internally for self-administration of claims and lawsuits;
- Matter management system integration for tracking of Counsel's time and billing practices;
- Provide a robust document management system to allow for a paperless environment;
- Import/Export data from TPAs' claims systems, where appropriate;
- Provide an effective tool to monitor County TPAs' performance;
- Provide opportunity for County departments to immediately and electronically forward reports of third party injuries or significant property damage to County management and TPAs for immediate attention;
- Identify significant risk exposure and loss trends to effectively target loss prevention programs;
- Ensure accuracy and completeness of data;
- Have financial accounting capabilities to track subrogation recoveries, credits, and/or contributions;
- Integrate with eCAPS for payment issuance;
- Provide case management tools for CEO Risk Management Branch and County Counsel to effectively manage claims from inception to completion;
- Incorporate all aspects of the Risk Management Branch, including: Workers' Compensation, Loss Control and Prevention, Occupational Health, Disability Management (Return-To-Work, Short-Term/Long-Term, Leave of Absence), Claims Management (Small and Property Claims, General Liability Claims, Medical Malpractice Claims);
- Track, monitor, and alert on the expiration of the insurance policy information;
- Track all expenses paid by the County and provide an interface with the County's Auditor-Controller to issue payments;
- Maintain legal confidentiality of all claim- and litigation-related information, including attorney-client and attorney work product privileges; and

- Provide cost-effective solutions for the design, development, implementation, and maintenance of the Risk Management Information System (RMIS), including software, hosting services, project design, and project management.

The CEO Risk Management Branch will issue an RFP to solicit proposals for a contract with an organization that can develop and create the desired RMIS.

The CEO Risk Management Branch, County Counsel, Chief Information Office, Information Systems Commission, Auditor-Controller, Internal Services, as well as Shelter Island and other stakeholders will develop and release the RFP in July 2015, seeking proposals to provide new solutions in a robust claims system that will provide a consolidated view of risk which will allow the County to make fact-based risk management decisions.

The new RMIS will leverage the latest advances in web technology and open standards-based architecture to eliminate the County's dependence on a particular vendor, and minimize the County's dependency on proprietary technology. RMIS will be a service-oriented architecture (SOA) solution with flexible software components, which will provide the much-needed adaptability, interoperability, and scalability to effectively support constantly evolving risk management programs and business operations. Upon full implementation of the integrated web-based SOA RMIS solution, the current independent claim and database systems will be evaluated for their usefulness, effective March 2017, to allow for transition time with eCAPS and legacy systems with full implementation scheduled in June 2017.

If you have any questions, please have your staff contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

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SACHI A. HAMAI
Interim Chief Executive Officer

Board of Supervisors
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MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

July 23, 2015

To: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai 
Interim Chief Executive Officer

STATUS REPORT ON WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM CONVERSION AND REQUEST FOR PROPOSALS

On February 28, 2012, the Board approved the recommendation to execute a sole source contract with P&C Insurance Systems, Inc. (PCIS), for application hosting and maintenance services to support the workers' compensation claims administration system (System) and a conversion to a system with a relational database. At that time, the Board instructed the Chief Executive Officer (CEO) to immediately initiate the Request for Proposals (RFP) process for a workers' compensation claims administration system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers' compensation system to a relational database system. This memorandum provides the seventh status report on the system conversion and RFP development.

Conversion of Genlris to ClaimsVision

Currently, the System is undergoing conversion from the Genlris platform to ClaimsVision. Such requires migrating County of Los Angeles (County) workers' compensation data from a discontinued software solution to a modern solution with a relational database and a modern user interface. Data migration to the new system is complete and CEO is performing vendor mapping simulation analysis to ensure the ClaimsVision and eCAPS vendor interface is robust.

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Conversion of GenIris to ClaimsVision (Continued)

On May 5, 2015, the Board approved an increase of \$400,000 to the maximum contract sum for additional work that will allow the following:

- Additional customizations for system interfaces to and from the County's financial system;
- Additional customization to enhance fiscal monitoring and auditing capability;
- Increased automation of the multiple interfaces required by State and Federal laws;
- Centers for Medicare and Medicaid Services mainframe data conversion; and
- Development of a paperless environment for claims administration.

The "go live" date is scheduled for September 2015. Due to the System requirement to manage approximately 27,000 workers' compensation claims and issue over 2,000 payment transactions daily, the risk assessment will be performed prior to the "go live" date. This assessment will include a full integration test against the final ClaimsVision build. CEO and PCIS have scheduled four weeks of user-acceptance testing after the final build.

RFP for Comprehensive Risk Management Information System

As previously reported, CEO has analyzed the current risk management information systems and recognized the need to evaluate the consolidation and implementation of a comprehensive risk management information system. Such a system will include the management of workers' compensation, general liability, medical malpractice, auto liability, small claims, disability management, risk compliance management under the Risk Management Inspector General, and loss control and prevention. CEO has engaged Shelter Island Risk Services (Shelter Island) to facilitate the development and evaluation of a comprehensive risk management information system Statement of Work. General requirements and capabilities have been identified as follow:

- Track of data necessary for County analysis and determination of the best and most cost effective risk methods;
- Provide a claim management system that may be used by Third-Party Administrators (TPAs), as well as internally for self-administration of claims and lawsuits;

RFP for Comprehensive Risk Management Information System (Continued)

- Matter management system integration for tracking of County Counsel's time and billing practices;
- Provide a robust document management system to allow for a paperless environment;
- Import/Export data from TPAs' claims systems, where appropriate;
- Provide an effective tool to monitor County TPAs' performance;
- Provide opportunity for County departments to immediately and electronically forward reports of third party injuries or significant property damage to County management and TPAs for immediate attention;
- Identify significant risk exposure and loss trends to effectively target loss prevention programs;
- Ensure accuracy and completeness of data;
- Have financial accounting capabilities to track subrogation recoveries, credits, and/or contributions;
- Integrate with eCAPS for payment issuance;
- Provide case management tools for CEO Risk Management Branch and County Counsel to effectively manage claims from inception to completion;
- Incorporate all aspects of the Risk Management Branch, including Workers' Compensation, Loss Control and Prevention, Occupational Health, and Disability Management (Return-To-Work, Short-Term/Long-Term, Leave of Absence), Claims Management (Small and Property Claims, General Liability Claims, Medical Malpractice Claims);
- Track, monitor, and alert on the expiration of the insurance policy information;
- Track all expenses paid by the County and provide an interface with the County's Auditor-Controller to issue payments;
- Maintain legal confidentiality of all claim- and litigation-related information, including attorney-client and attorney work product privileges; and
- Provide cost-effective solutions for the design, development, implementation, and maintenance of the Risk Management Information System (RMIS), including software, hosting services, project design, and project management.

The CEO Risk Management Branch anticipates release of the RMIS RFP in August 2015, to solicit proposals for a contract with an organization that can develop and create the desired RMIS.

The CEO Risk Management Branch, County Counsel, Chief Information Office, Auditor-Controller, Shelter Island, and other stakeholders will develop and release the RFP to seek vendor-hosted proposals to provide new solutions in a robust claims system that will provide a consolidated view of risk, which will allow the County to make fact-based risk management decisions for processing, reporting, and approving of all lines of liability claims.

Each Supervisor
July 23, 2015
Page 4

In seeking a vendor-hosted solution, the new RMIS will be able to leverage the latest advances in web technology while taking advantage of fully-managed infrastructures that meet the County's stringent information technology security standards and disaster recovery requirements. Shelter Island reported that industry solutions for these types of applications have moved (or are moving) to vendor-hosted or Software-as-a-Solution (SaaS) models.

If you have any questions, please have your staff contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

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c: Executive Office, Board of Supervisors
County Counsel
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Chief Information Officer
Internal Services



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SACHI A. HAMAI
Chief Executive Officer

January 15, 2016

To: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Sachi A. Hamai
Chief Executive Officer

Board of Supervisors
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Fifth District

STATUS REPORT – WORKERS' COMPENSATION CLAIMS ADMINISTRATION SYSTEM CONVERSION AND REQUEST FOR PROPOSALS

On February 28, 2012, the Board approved the recommendation to execute a sole source contract with P&C Insurance Systems, Inc. (PCIS), for application hosting and maintenance services to support the workers' compensation claims administration system and a conversion to a system with a relational database. At that time, the Board instructed the Chief Executive Officer (CEO) to immediately initiate the Request for Proposals (RFP) process for a workers' compensation claims administration system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers' compensation system to a relational database system. This memorandum provides the eighth status report on the system conversion and RFP development.

Conversion of GenIris to ClaimsVision

On November 9, 2015, ClaimsVision went into production mode. As of December 13, 2015, the ClaimsVision system has issued over 36,500 workers' compensation checks totaling over \$22 million. CEO and PCIS staff continue to monitor the system to ensure performance, business rule, and workflow issues are identified and resolved.

ClaimsVision is a relational database system that replaces the GenIris for Windows (GIFW) flat file system. As such, it improves portability and data management flexibility. The move to ClaimsVision will allow the CEO to smoothly transition to a comprehensive Risk Management Information System in the future.

In addition, ClaimsVision establishes a single interface with eCAPS, removing the use of complex mainframe programs to facilitate the transmission of payment data.

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Conversion of Genlris to ClaimsVision (Continued)

CEO believes ClaimsVision improves program fiscal controls by providing the following:

- Digital fingerprinting of the payment processing transaction.
- Identification of payment transaction requests that may result in a duplicate payment at the time of authorization.
- Identification and prohibiting payment transaction requests that exceed the user's authority level at the time of processing.
- Enhanced security profiles to limit menu privileges based on predefined user groups.
- Direct interface with the County eCAPS system, avoiding exposure to the County's mainframe system.

RFP for Comprehensive Risk Management Information System

Contract Staff:

As previously reported, CEO has analyzed the current risk management information systems and recognized the need to evaluate the consolidation and implementation of a comprehensive Risk Management Information System. Such a system will include the management of workers' compensation, general liability, medical malpractice, auto liability, small claims, and disability management. CEO has engaged Shelter Island Risk Services (Shelter Island) to facilitate the development and evaluation of a comprehensive Risk Management Information System. General requirements and capabilities have been identified as follow:

- Track of data necessary for County analysis and determination of the best and most cost-effective risk methods;
- Provide a claim management system that may be used by Third-Party Administrators (TPAs), as well as internally for self-administration of claims and lawsuits;
- Matter management system integration for tracking of counsel's time and billing practices;
- Provide a robust document management system to allow for a paperless environment;
- Import/Export data from TPAs' claims systems, where appropriate;
- Provide an effective tool to monitor County TPAs' performance;
- Provide opportunity for County departments to immediately and electronically forward reports of third party injuries or significant property damage to County management and TPAs for immediate attention;
- Identify significant risk exposure and loss trends to effectively target loss prevention programs;
- Ensure accuracy and completeness of data;
- Have financial accounting capabilities to track subrogation recoveries, credits, and/or contributions;
- Integrate with eCAPS for payment issuance;

RFP for Comprehensive Risk Management Information System (Continued)

Contract Staff:

- Provide case management tools for CEO Risk Management Branch and County Counsel to effectively manage claims from inception to completion;
- Incorporate all aspects of CEO Risk Management Branch, including: Workers' Compensation, Loss Control and Prevention, Occupational Health, Disability Management (Return-To-Work, Short-Term/Long-Term Disability, Leave of Absence), and Claims Management (Small and Property Claims, General Liability Claims, Medical Malpractice Claims);
- Track, monitor, and alert on the expiration of the insurance policy information;
- Track all expenses paid by the County and provide an interface with the County's Auditor-Controller to issue payments;
- Maintain legal confidentiality of all claim- and litigation-related information, including attorney-client and attorney work product privileges; and
- Provide cost-effective solutions for the design, development, implementation, and maintenance of the Risk Management Information System, including software, hosting services, project design, and project management.

The CEO Risk Management Branch will issue an RFP to solicit proposals for a contract with an organization that can develop and create the desired Risk Management Information System.

The CEO Risk Management Branch, County Counsel, Chief Information Office, Information Systems Commission, Auditor-Controller, Internal Services, as well as Shelter Island and other stakeholders will develop and release the RFP by March 1, 2016, seeking vendor-hosted proposals to provide new solutions in a robust claims system that will provide a consolidated view of risk which will allow the County to make fact-based risk management decisions.

In seeking a vendor-hosted solution, the new Risk Management Information System will be able to leverage the latest advances in web technology while taking advantage of fully managed infrastructures that meet the County's stringent Information Technology security standards and disaster recovery requirements. Shelter Island reported that industry solutions for these types of applications have moved (or are moving) to vendor-hosted or Software-as-a-Service (SaaS) models.

If you have any questions, please have your staff contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

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County Counsel
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Chief Information Officer
Internal Services



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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July 29, 2016

To: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Sachi A. Hamai
Chief Executive Officer

Board of Supervisors
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STATUS REPORT – WORKERS’ COMPENSATION CLAIMS ADMINISTRATION SYSTEM CONVERSION AND REQUEST FOR PROPOSALS

On February 28, 2012, the Board approved the recommendation to execute a sole source contract with P&C Insurance Systems, Inc. (PCIS), for application hosting and maintenance services to support the workers’ compensation claims administration system and a conversion to a system with a relational database. At that time, the Board instructed the Chief Executive Officer (CEO) to immediately initiate the Request for Proposals (RFP) process for a workers’ compensation claims administration system and to report back in July 2012, and every six months thereafter, on the status of the RFP development and the conversion of the current workers’ compensation system to a relational database system. This is the ninth and final bi-annual status report to the Board.

Conversion of Genlris to ClaimsVision

On November 9, 2015, ClaimsVision went into production mode. As of June 30, 2016, the ClaimsVision system has issued over 333,000 workers’ compensation payment request transactions totaling over \$203 million. During this period, CEO and PCIS continued to monitor the system and applied updates to address performance, data, business rule, workflow, and reporting issues. Currently, the system is used to administer approximately 30,000 workers’ compensation claims with approximately 300 users utilizing the system to manage those claims.

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Conversion of GenIris to ClaimsVision (Continued)

ClaimsVision is a relational database system that replaces the GenIris for Windows (GIFW) flat file system. As such, it improves portability and data management flexibility. The move to ClaimsVision will allow the CEO to smoothly transition to a comprehensive Risk Management Information System in the future. In addition, ClaimsVision establishes a single interface with eCAPS, removing the use of complex mainframe programs to facilitate the transmission of payment data.

The ClaimsVision system improves program fiscal controls by providing the following:

- Digital fingerprinting of the payment processing transaction.
- Identification of payment transaction requests that may result in a duplicate payment at the time of authorization.
- Identification and prohibiting payment transaction requests that exceed the user's authority level at the time of processing.
- Enhanced security profiles to limit menu privileges based on predefined user groups.
- Direct interface with the County eCAPS system that avoids potential data file corruption and improves payment transaction integrity.

Though system monitoring will continue, this is the last update on the GenIris to ClaimsVision conversion.

RFP for Comprehensive Risk Management Information System

As previously reported, CEO analyzed the current risk management information systems and recognized the need to procure and implement a comprehensive Risk Management Information System. This comprehensive system will provide management of the following information systems;

- Claims Management (including general, medical malpractice, auto, and small claims);
- Workers' Compensation;
- Loss Control and Prevention;
- Disability Management;
- Risk Compliance Management for Inspector General; and
- E-Billing/Matter Management for County Counsel.

RFP for Comprehensive Risk Management Information System (Continued)

General requirements and capabilities have been identified as follow:

- Track of data necessary for County analysis and determination of the best and most cost-effective risk methods;
- Provide a claim management system that may be used by Third-Party Administrators (TPAs), as well as internally for self-administration of claims and lawsuits;
- Matter management system integration for tracking of counsel's time and billing practices;
- Provide a robust document management system to allow for a paperless environment;
- Import/Export data from TPAs' claims systems, where appropriate;
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- Ensure accuracy and completeness of data;
- Have financial accounting capabilities to track subrogation recoveries, credits, and/or contributions;
- Integrate with eCAPS for payment issuance;
- Provide case management tools for CEO Risk Management Branch and County Counsel to effectively manage claims from inception to completion;
- Incorporate all aspects of Risk Management, including Workers' Compensation, Loss Control and Prevention, Occupational Health, Disability Management (Return-To-Work, Short-Term/Long-Term Disability, Leave of Absence), and Claims Management (Small and Property Claims, General Liability Claims, Medical Malpractice Claims);
- Track, monitor, and alert on the expiration of the insurance policy information;
- Track all expenses paid by the County and provide an interface with the County's Auditor-Controller to issue payments;
- Maintain legal confidentiality of all claim- and litigation-related information, including attorney-client and attorney work product privileges; and
- Provide cost-effective solutions for the design, development, implementation, and maintenance of the Risk Management Information System, including software, hosting services, project design, and project management.

RFP for Comprehensive Risk Management Information System (Continued)

The CEO Risk Management Branch, CEO Information Technology Services, County Counsel, Auditor-Controller, Internal Services Department, the former Chief Information Office, and other stakeholders collaboratively developed an RFP seeking vendor-hosted, Software-as-a-Service (SaaS) solutions to provide a robust claims system that will provide a consolidated view of risk which will allow the County to make fact-based risk management decisions.

In seeking a vendor-hosted solution, the new Risk Management Information System will be able to leverage the latest advances in web technology while taking advantage of fully managed infrastructures that meet the County's stringent Information Technology security standards and disaster recovery requirements.

On April 14, 2016, CEO Risk Management Branch issued an RFP to solicit proposals for a contract with an organization that will develop the comprehensive Risk Management Information System. On June 8, 2016, CEO conducted a mandatory proposers' conference for the RFP in which nine (9) potential vendors attended. Proposals for the RFP are due August 25, 2016. The current RFP project timeline estimates that the projected date of the Contract award will be approximately September 2017, given Board approval.

If you have any questions, please have your staff contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

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